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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[Document Identifier: CMS-10418]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Centers for Medicare & Medicaid Services

In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services, is publishing the following summary of proposed collections for public comment. Interested persons are invited to send comments regarding this burden estimate or any other aspect of this collection of information, including any of the following subjects: (1) The necessity and utility of the proposed information collection for the proper performance of the Agency's function; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

1. Title of Information Collection: Annual MLR and Rebate Calculation Report; Type of Collection: New collection Use: Under Section 2718 of the Affordable Care Act and implementing regulation at 45 CFR Part 158 (75 FR 74865, December 1, 2010) as modified by technical corrections on December 30, 2010 (75 FR 82277), a health insurance issuer (issuer) offering group or individual health insurance coverage must submit a report to the Secretary concerning the amount the issuer spends each year on claims, quality improvement expenses, non-claims costs, Federal and State taxes and licensing and regulatory fees, and the amount of earned premium. An issuer must provide an annual rebate to enrollees if the amount it spends on

certain costs compared to its premium revenue (excluding Federal and States taxes and licensing and regulatory fees) does not meet a certain ratio, referred to as the medical loss ratio (MLR). An interim final rule (IFR) implementing the MLR was published on December 1, 2010 (75 FR 74865) and modified by technical corrections on December 30, 2010 (75 FR 82277), which added Part 158 to Title 45 of the Code of Federal Regulations. The IFR is effective January 1, 2011. A final rule regarding selected provisions of the IFR was published on December 7, 2011 (76 FR 76574, CMS-9998-FC) and an interim final rule regarding an issue not included in issuers' reporting obligations (disbursement of rebates by non-federal governmental plans) was also published December 7, 2011 (76 FR 76596, CMS-9998-IFC2). Both rules published on December 7, 2011 are effective January 1, 2012. Each issuer is required to submit annually MLR data, including information about any rebates it must provide, on a form prescribed by CMS, for each State in which the issuer conducts business. Each issuer is also required to provide a rebate notice to each enrollee that is due a rebate payment for any given MLR reporting year. Additionally, each issuer is required to maintain for a period of seven years all documents, records and other evidence that support the data included in each issuer's annual report to the Secretary.

The original 60-day comment period began on December 16, 2011 and pertained to the MLR Annual Reporting Form, and closed on February 14, 2012. On February 16, we published an amended PRA package with Notices to Consumers and reopened the public comment period until March 2, 2012 to accommodate comments on the amendments to the PRA package. We received a total of 15 public comments regarding the Annual Reporting Form and 11 public comments regarding the Notices to Consumers and Instructions for these notices. Most public

comments addressed multiple issues. We have taken into consideration all the proposed suggestions and have made changes to the Annual Reporting Form and Instructions, as well as to the Notices to Consumers and Instructions. In addition, CMS is adjusting the estimated burden that correlates with the Rebate Notices and the MLR Information Notices.

Form Number: CMS-10418 (OCN: 0938-New); Frequency: Annual submission for each respondent; Affected Public: Private Sector: Business or other for-profits and not-for-profit institutions; Number of Respondents: 527; Number of Responses: 5,530;

Total Annual Hours: 352,563. (For policy questions regarding this collection, contact Carol Jimenez at (301) 492-4457. For all other issues, call (410) 786-1326.)

To obtain copies of the supporting statement and any related forms for the proposed paperwork collections referenced above, access CMS Web Site address at <http://www.cms.hhs.gov/PaperworkReductionActof1995>, or E-mail your request, including your address, phone number, OMB number, and CMS document identifier, to Paperwork@cms.hhs.gov, or call the Reports Clearance Office on (410) 786-1326.

To be assured consideration, comments and recommendations for the proposed information collections must be received by the OMB desk officer at the address below, no later than 5 p.m. on **IOFR—insert date 30 days after date of publication in the Federal Register.**

OMB, Office of Information and Regulatory Affairs

Attention: CMS Desk Officer

Fax Number: (202) 395-6974

E-mail: OIRA_submission@omb.eop.gov

Dated: March 30, 2012

Martique Jones

Director, Regulations Development Group, Division B

Office of Strategic Operations and Regulatory Affairs

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